

STATINTL

Approved For Release 2003/04/29 : CIA-RDP84-00780R003400010001-5

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DD/S 70 - 4

Executive

**SECRET  
EYES ONLY**

70.613

17 DEC 1970

Meeting

## MEMORANDUM FOR THE RECORD

SUBJECT: Meeting with Executive Director-Comptroller on 16 December 1970

25X1

1. Present were Messrs. Duckett, Proctor, Coffey, Houston, Stewart, [ ] for part of the meeting Karamessines, and the undersigned.

2. In consideration of the fact that Mr. Karamessines would have to leave the meeting early, the first subject discussed was that of early retirement of certain contract personnel under Civil Service Retirement. After a brief discussion it was agreed that career agents should be fully blanketed into the Agency retirement system and that, with certain administrative adjustments, contract employees, too, should be covered. The adjustments will be necessary to accommodate the term contract concept and the implications of a commitment to long-term employment inherent in a discussion of a retirement policy. It was agreed that for extensions of contract employees the authority will be delegated to the respective Deputies with a responsibility for reporting extensions and the reason therefor to the Director of Personnel. The Director of Personnel, with the assistance of the General Counsel, will prepare an action proposal.

3. After considering various implications of such awards, it was agreed that the Executive Director-Comptroller would raise with the Director the proposal to award the DIM to Admiral Souers, General Vandenberg, and Admiral Hillenkoetter. It was agreed also that consideration should be given to making the award the National Security Medal. — It is since all others have received NS medal. DCI can award on his own technically speaking

4. Colonel White reported that he had discussed with the Director the proposed Senior Seminar which had been endorsed by the Deputies. The Director agreed to one running <sup>only</sup> of the course with the understanding that the results would be reviewed before a decision was made for further runnings. Underlying the Director's reservations are the demands being made on the time of senior officers. Thought advanced that course should be set up so sessions with senior officers take place Hqs area not isolation or [ ]

5. The Executive Director-Comptroller reminded Messrs. Duckett and Proctor that he had yet to hear from their respective Directorates in regard to nominations for a replacement for Mr. Goodwin. This led to some discussion of the real purpose to be served by that officer.

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25X1

pushing [ ]  
said DDP did his for the  
best job on this matter.  
DD & JT said his Directorate  
has no candidate

**EYES ONLY**

SECRET  
EYES ONLY

6. The MAG paper on the Agency's image was discussed at some length. Some of the premises were challenged, but it was agreed that the Group should be commended for the very worthwhile effort the paper represented. In reviewing the specific recommendations, it was agreed that we should take action to encourage the writing of a textbook on the Agency which would incorporate a non-controversial chapter on the intelligence community. It was agreed, however, that a legitimate book on the community at large would have to be critical in nature and this was considered not desirable--at least at this time. Recommendations (B) and (C) regarding action by the PFIB were rejected; (D) the encouragement of Agency retirees in writing articles for publication was endorsed; (E) participation in professional societies, etc., was endorsed with the observation that there was probably more of this being done now than is widely known; (F) continuation of the Summer Intern Program was endorsed by all means; (G) the distribution of Agency-identified reference material was endorsed with the observation that we are already doing some of this within certain limitations which are laid on externally; (H) dealing with the Press through background briefings was accepted; (I) substantive seminars for other agency representatives, the feeling was that enough of this is already being done; (J) on internal communication and higher visibility of senior officers was endorsed with the strong urging by the Executive Director that more of it be done; (K) having to do with the Director's exposure as a public figure--there were serious reservations on the wisdom, to say nothing of certain limitations already placed on him.

*See notes on MAG Paper  
attached to agenda*

7. The next meeting of the Deputies was not fixed but will be sometime in early January.

/s/ Robert S. Wattles

Robert S. Wattles  
Director of Personnel

Original - Return to D/Pers  
1 - ExDir-Compt  
1 - DD/I  
1 - DD/P  
1 - DD/S&T  
1 - DD/S  
1 - General Counsel  
1 - Inspector General  
1 - D/Pers Chrono

OD/Pers/RSWattles:djp (17 Dec 70)

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I have a great deal of difficulty with what is not said in this paper regarding extending Career Agents beyond age 60. I think the policy for Career Agents should be for them to retire at age 60, but I think that DD/P has to be given authority to extend them beyond age 60 when that is determined to be operationally necessary or desirable.

The point is that a Career Agent under a viable cover in a critical area might reach age 60 at the time he would be most useful to the

Agency. At the same time, we wouldn't want to "cut off our nose" in

a case like that, and it  
seems to me that DD/P is  
the one who would have to  
make the judgment.

I believe it would be  
better to provide for the  
extension in this paper  
before it goes to Col. White.

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I have difficulty rationalizing any policy other than that Career Agents and Contract employees (U.S.) should be under the Agency's policy of retirement for staff employees, particularly that of 20 years at age 60. There may be justifiable cases for extending age for the individual contract employee at age 62 with 5 yrs service who is contracted for because of special knowledge or skill needed at the time and the D/Pers could be approving level.

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Points for Consideration

Career Agents often have started as Staff Agents or Staff employees and as stated in para 4 are basically appointed employee. I believe that there is adequate authority now on the books to extend the employment of Staff Agent, Staff employee, and/or Career Agent if operational requirements so justify.

25X1

[ ] ' comment tends to make the Career Agent a separate type when actually a Staff Agent or even a Staff employee could be serving under a viable cover in a critical area. -- Recommend Career Agents under both Retirements system conform to Agency's retirement policy. Operating officials have five years to adjust cover and other operating conditions to permit a planned retirement for such personnel. (I think [ ] has some personnel that are now Career Agents that were formerly Staff. Also I recall RFE CA Staff had someone in a career status and converted to Staff.)

25X1

Regarding Contract Employees

The Director of Personnel should establish some ground rules on types of contracts for the wide variety of "contract employees."

For example: (a) The [ ] serving overseas who has never served in a staff position before and who is basically filling a non-rotatable overseas position.

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(b) The [ ] who has served in a staff employee position and because of lack of staff position overseas takes a contract.

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(c) The contract employee who is brought into the Agency either for Headquarters or Overseas position as an initial employment and who may at a later time be converted to staff, i. e.,  personnel.

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(d) The contract employee recruited for a nonrotatable maintenance type position on an indefinite basis such as

25X1

25X1

(e) The contract employee who has been converted from Staff in a non-rotatable (non-career) local hire maintenance type position such as those for  etc.

25X1

(f) OTR assured those staff employees that converted to contract during the past few months, that they will not (repeat not) be required to retire at the age of 60.

In each of these contract s noted, the conditions appear to me to have some impact on the type of retirement benefits that should be authorized. I believe that the early retirement policy should be applicable to employees under contract and should so state in each contract. Requests for extension for contract employees can be made similar to staff if needs justify.

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9 DEC 1970

**SECRET**

MEMORANDUM FOR: Executive Director-Comptroller

SUBJECT : Early Retirement for Certain Contract Personnel  
Under Civil Service Retirement

1. This memorandum is in response to your request for background information on the desirability of applying the Agency's early retirement policy to Contract Employees and Career Agents. I believe it was your intention to discuss this question at a Deputies' Meeting.

2. The Office of Personnel has been receiving an increasing number of questions on the applicability of the Agency's early retirement policy to Contract Employees under the Civil Service Retirement System (CSR). The Agency regulation on the subject [ ] of that regulation states that "employees" under the Civil Service Retirement System are expected to plan to retire upon completion of twenty years of service at the age of 60 or after a minimum of five years of service at the age of 62. 25X1

3. Since Contract Employees and Career Agents are "employees", it can be argued that the Agency's early retirement policy was meant to apply to them as well as to staff personnel. However, we can find no evidence that [ ] reflects actual Agency intent in this regard. In practice, our early retirement policy is not applied to employees under contract. This was not of significant importance before 1 July 1967, the date on which U. S. citizen Contract Employees became eligible to participate in the Civil Service Retirement System. Approximately [ ] Contract Employees are now contributing to CSR, as are [ ] Career Agents. 25X1

4. The case for applying the Agency's early retirement policy to Career Agents under CSR is a strong one: A Career Agent is basically equivalent to an appointed employee. He has a contract of indefinite duration plus the allowances and protective benefits of staff status. In the Clandestine Service his "career" is managed by a Panel. The philosophy behind an early retirement policy would.

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GROUP 1  
Excluded from automatic  
downgrading and  
declassification

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appear to apply equally to Career Agents, who normally perform operational duties, and staff employee case officers. A Career Agent is eligible to participate in the CIA Retirement System (CIARDS). Currently ☐ Career Agents are CIARDS participants. Since Career Agents under CIARDS are subject to mandatory retirement at age 60, it follows that Career Agents under CSR should also conform to the Agency's retirement policy.

25X1

5. The rationale for applying the early retirement policy to Contract Employees under Civil Service Retirement is not as clear cut:

a. It can be argued that a Contract Employee is a temporary employee with a contract of definite duration. Although he now has standard Governmental allowances, fringe benefits and the like, he is not regarded as a staff employee equivalent. We need and use some Contract Employees for relatively long periods of time, others for assignments of short duration. Complicating a flexible use approach with an early retirement concept seems unnecessary and undesirable. Even a carefully worded "five-year letter" to a Contract Employee working under a two-year extension might be construed as implying a moral commitment on our part to keep him on board for the full five-year period. If, on an individual case basis, the Agency wants a Contract Employee to "retire", it can be done quite simply, by giving him ample advance notice that his contract will not be renewed upon its expiration or that it will be terminated upon a specific date.

b. The arguments in paragraph a. above can be countered. A contract of fixed duration need not automatically connote a temporary employee. It is the use to which we put an individual and the actual length of his service that, in fact, determine whether he is "temporary" or "permanent". There are many Contract Employees who have or will retire from CIA after a truly career association. We have been their only employer. In addition, everything CIA has done for Contract Employees over the past ten years has served to reduce the area of difference between Contract Employees and Career Agents and Staff Employees to the point where that difference may now be more psychological than substantive. Since employees in these three categories are basically the same, Agency policy on their retirement should apply equally. Contract Employees and Career Agents would then be assured of the same pre-retirement counseling the Agency has deemed essential for its staff employees.

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6. The number of on-board Contract Employees (type A and B) as of  
this date totals

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/s/ Robert S. Wattles

Robert S. Wattles  
Director of Personnel

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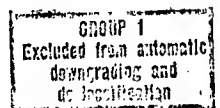
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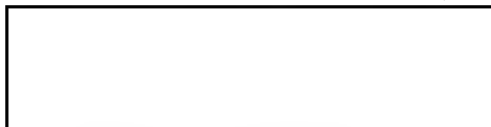
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Director of Personnel

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